



Base Realignment and Closure (BRAC) Cleanup Team Workshop

Understanding Base Reuse *Community-Based Planning and Redevelopment*

Toby Halliday
Office of Economic Adjustment



Challenge

Base Closures

- 97 major base closures and 55 major realignments as result of BRAC 88, 91, 93, 95
- 77 major bases closed or realigned as of October 1997
- 94,269 civilian jobs lost*
- 44,763 new jobs as of October 1997*
- Clean up and disposal of over 467,000 acres of Federal property
 - 365,000 acres ready for transfer from DoD

* Job loss and job creation data for the 74 communities in which OEA is providing financial assistance.

Local Economic Disruption

- Defense downsizing has adverse community economic impacts
- Economic adjustment focus
 - Diversification of local economic base
 - Local business community
 - DoD and defense contractor workforce



Defense Economic Adjustment Program

Office of Economic Adjustment

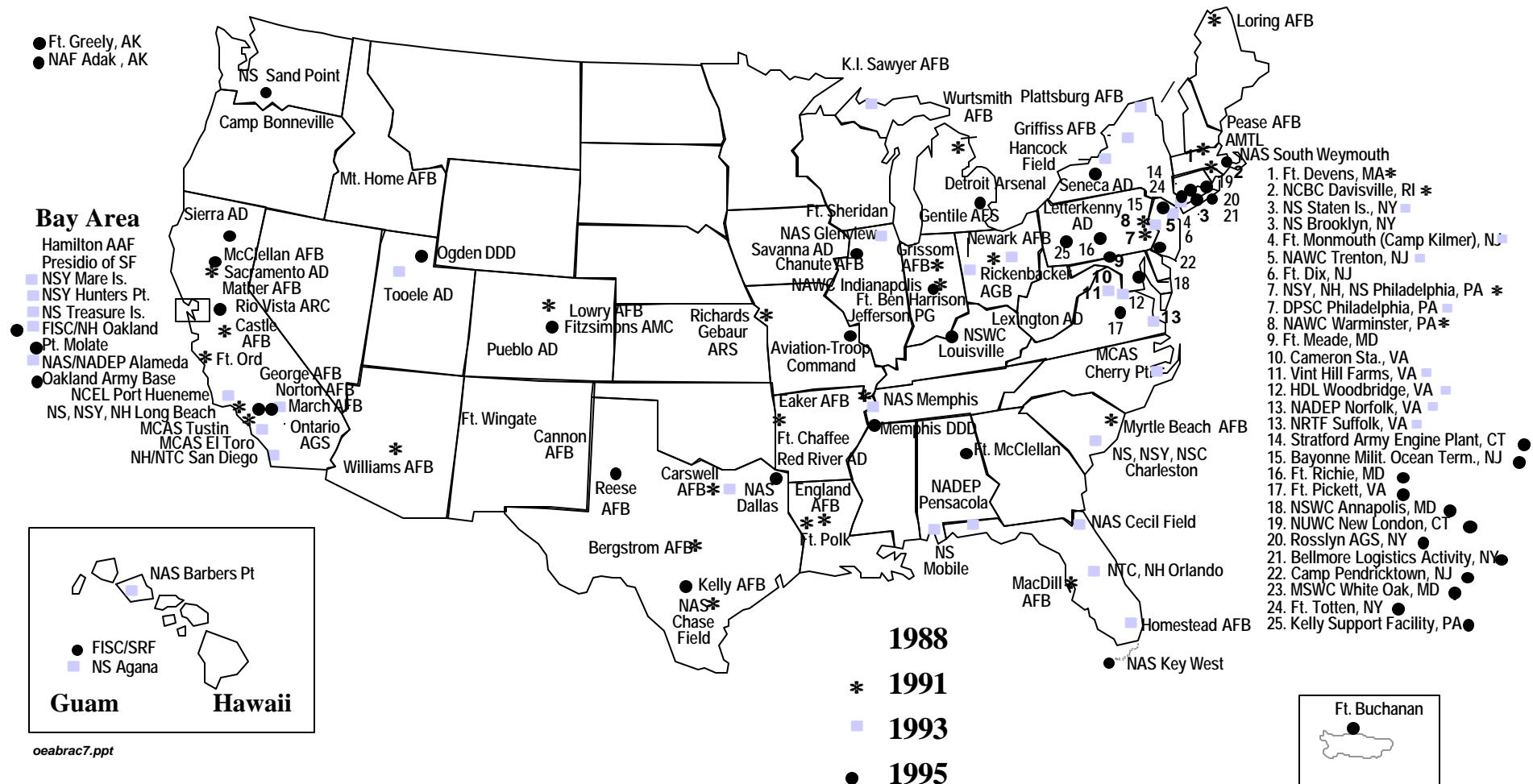
- Created in 1961
- Assisted > 500 defense impacted communities

Broad Economic Adjustment Portfolio

- Closing and realigning installations
- Expanding installations
- Reductions in defense industry employment
- Encroachment of urban development upon installations



OEA Base Closure & Realignment Projects





Program Objectives

- Create new jobs
- Redevelop former military bases for civilian use
- Ease community transition/minimize period of economic adjustment
- Stabilize and diversify local economic base
- Increase local tax base



Sources for Assistance

- Technical and financial assistance
- Close coordination with Military Department and Federal domestic agencies (i.e., DoL, DoC, SBA, EPA, FAA, DoI, HHS, HUD, Justice, DoEd)
- Promote support from state and local government
- Private sector participation



Economic Adjustment Process

Complex, Community-Based

- Community organization, planning and implementation
- DoD closure, cleanup, and property disposal

Job Creation Focus

- Primary goal is civilian job replacement
- Property disposal influenced by potential for job creation and public uses

Private Sector Driven

- Promote business development opportunities
- Reinvest in community infrastructure
- Generate personal income, enhance local tax revenues
- Diversify local economic base, products, and services



Phased Economic Adjustment Process

- Organize
- Plan
- Implement



Community Organization – Local Redevelopment Authority (LRA)

**Recognized by the Office of Economic Adjustment
on behalf of Secretary of Defense.**

Purpose

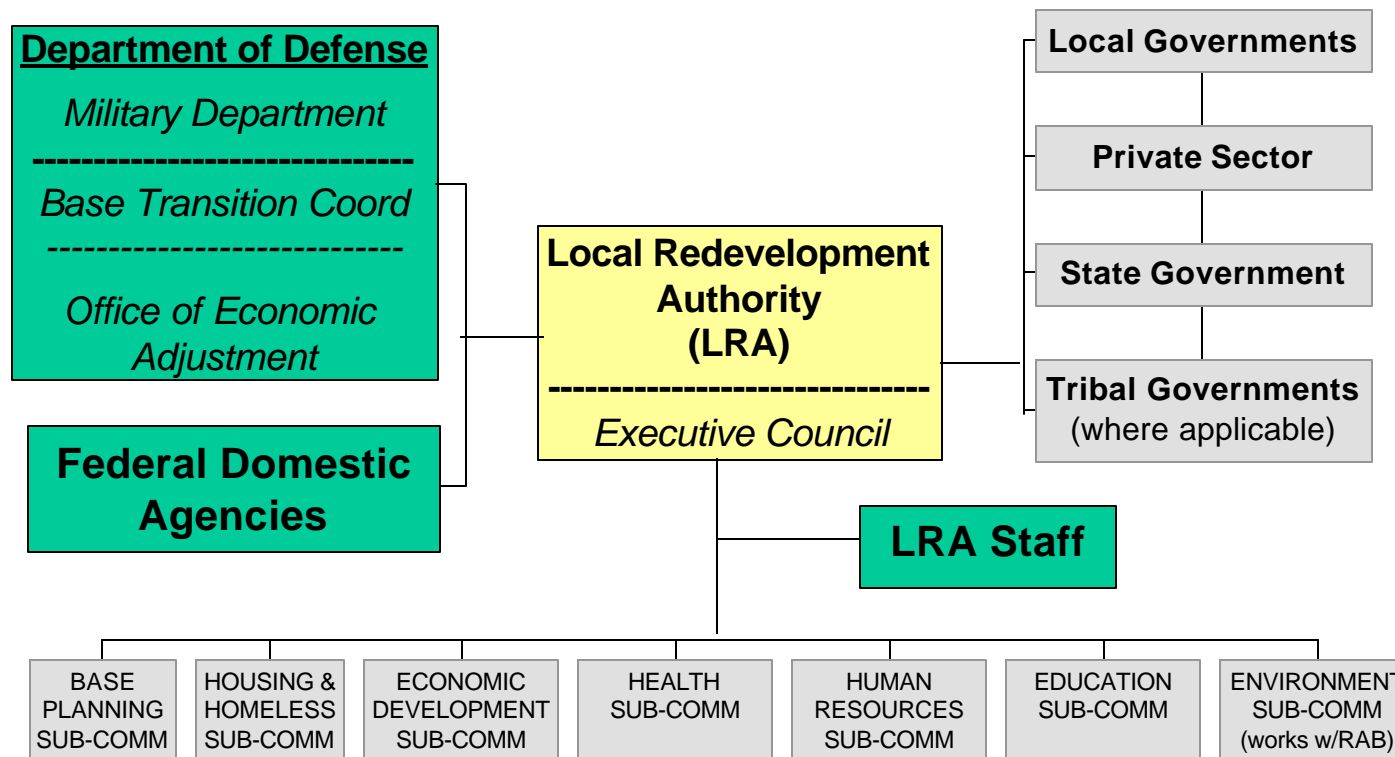
- **Single point of contact representing the community**
- **Vehicle for multi-jurisdictional involvement**
- **Promote public/private sector leadership**
- **Broad-based (geographic/demographic)
representation**
- **Manageable numbers**
- **May change over time**
 - **Planning LRA**
 - **Implementation LRA**



LRA Organizational Structure

SOURCES OF ASSISTANCE

POTENTIAL MEMBERS



Note: This is a conceptual organization. The specific composition of the LRA will be determined by the local situation.



Community Organization – LRA (Cont.)

Responsibilities

- Serve as community forum for issues, concerns and policy guidance
- May develop the community's economic adjustment strategy
- Solicit needs from homeless, state and local interests
- Establish dialogue with BCT to facilitate decision-making
 - proposed future land use designations
 - proposed remediation plan and schedule
- Prepare the redevelopment plan
- Submit the completed plan to DoD and HUD
- May be entity to adopt the redevelopment plan by ordinance or resolution
- Eligible to receive real and personal property via Economic Development Conveyance



Planning

Develop a comprehensive local economic adjustment strategy.

- **Economic diversification**
- **Base reuse plan**



Economic Diversification Strategy

- **Assess strengths, weaknesses, opportunities and threats (SWOT)**
- **Determine regional economic competitive advantage**
- **Identify workforce skills needed to expand/attract business**
- **Integrate dislocated defense workers**



Base Reuse Plan – Community Based

- **Identify community issues**
- **Set goals**
- **Collect and analyze data**
- **Establish objectives and policies**
- **Consider redevelopment alternatives**
- **Community selects preferred plan**



“Use-Based” Strategy

Community Reuse Vision Focuses On:

- **Promoting new economic activity**
- **Jobs**
- **Tax revenue**

Reuse is Defined by What is:

- **Market supportable**
- **Physically sociable**
- **Financially viable**
- **Environmentally compatible**
- **Politically feasible**



Base Reuse Is an Economic Development Project

Reuse plan must address real estate, cost and market issues.

Real Estate Issues:

- **Location**
 - Urban vs. Suburban
 - access
 - adjacent existing and proposed land uses
- **Site characteristics**
 - zoning
 - site dimensions
 - utilities and infrastructure (on and off site)
 - environmental conditions
- **Building characteristics**

Cost Issues:

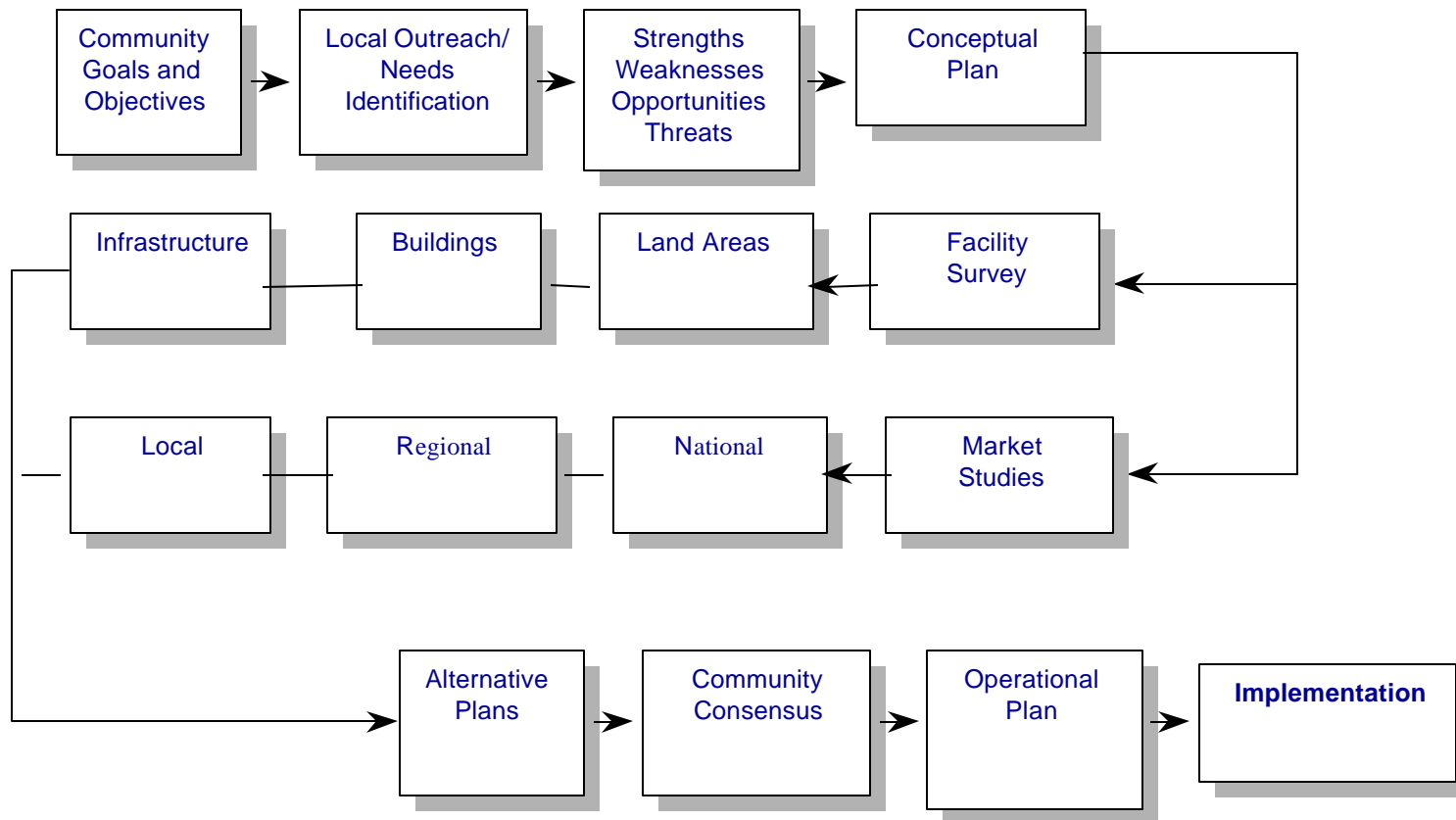
- Development costs dictate minimum rent levels required to ensure cost recovery
- Rent levels must remain competitive
- Major development costs include upgrade/replacement of infrastructure and building code compliance

Market Issues:

- Vacancy rates & absorption rates for existing space will strongly influence proposed reuse



Planning Sequence





Examples of Property Conveyance Mechanisms

- **Public bid sale**
- **Negotiated sale**
- **Public benefit conveyance**
- **Economic development conveyance**



Examples of Property Conveyance Mechanisms (Cont.)

Public Airport

- Air cargo facility
- Commercial passenger terminal

Education

- Primary and secondary schools
- Community college
- State university campus

Public Health

- Hospital/infirmary
- Health and nutrition education
- Water or sewer utilities
- Sanitary landfill

Federal-Aid or Public Highways

- Access ramps to interstates
- Widening of state routes

Port Facility

- Intermodal transportation facility
- Cargo terminal

Public Park/Recreation

- Public golf courses
- Athletic facilities
- Nature trail
- Park, park expansion, or park access

Historic Monument

- Museum
- World War II historic park
- Other parks/buildings of historic interest

Power Transmission Lines

- Electric/gas lines and easements

Correctional Facility

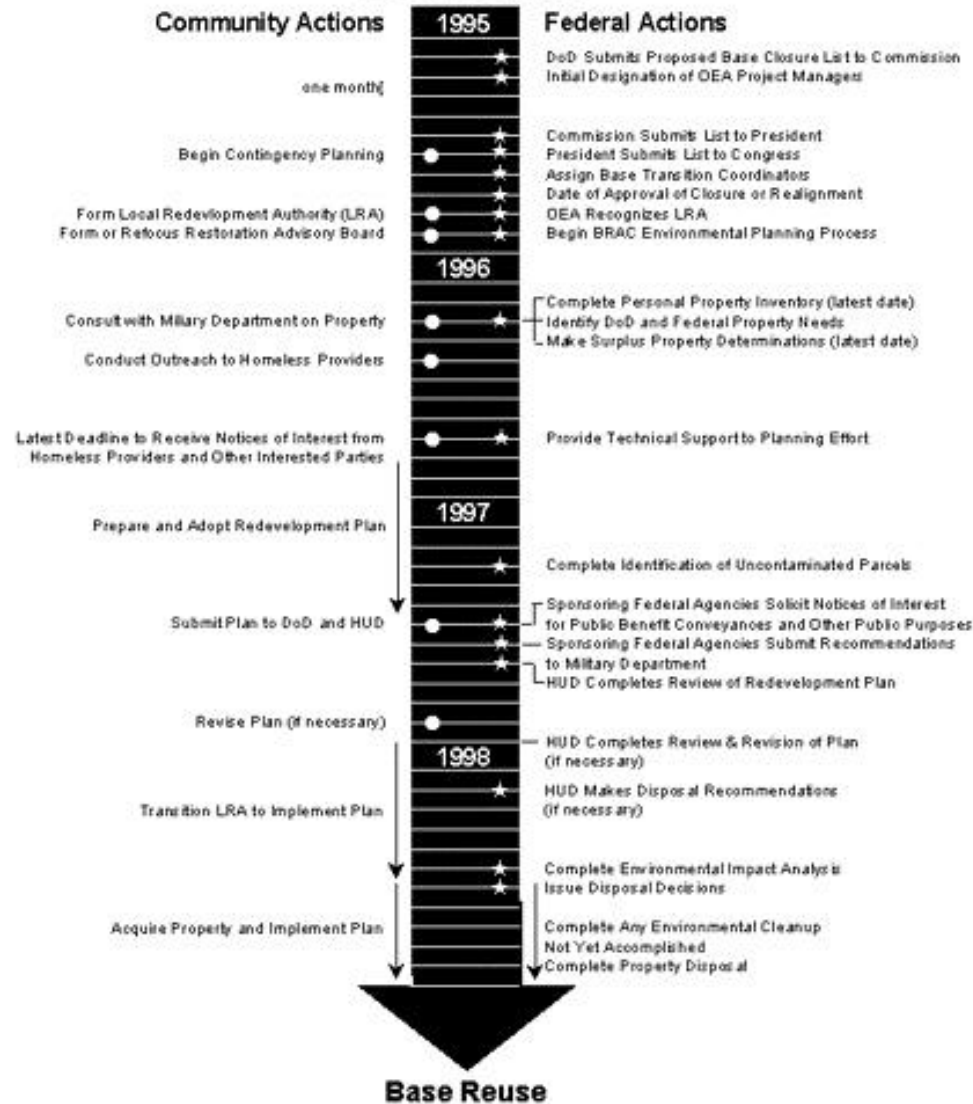
- State prison
- County jail

Wildlife Conservation

- State-sponsored preserve, sanctuary, refuge, or fishery



Closure Proposal





Implementation

- **Build necessary linkages, networks, and systems**
- **Secure public and private resources**
- **Infrastructure improvements**
 - **Phasing schedule for facility and site infrastructure improvements**
- **Marketing**
- **Business expansion/creation**
- **Job training/retraining programs**



New Tools for Base Redevelopment – Legislative Provisions

Legislative Provisions

- Economic development conveyances
- Leaseback
- Authority to transfer before remediation

Policy

- Leasing
 - Longer term interim leases
 - Reaffirmation of long-term leasing authority

Redevelopment Act Process Modifications

- Clarifies DoD's obligation under NEPA
 - Proposed action must encompass the LRA's plan
 - DoD must give deference to LRA's plan in making disposal decisions



Keys to Success

- **Proper organization**
- **Leadership commitment**
 - Public and private sector
 - Shared local, state and Federal Support
- **Comprehensive strategy**
 - Develop community vision
 - Short and long range plans
 - Focus on job creation and economic stability
- **Consensus**
 - Community wide focus
- **Integrate with ongoing economic development structure**
- **Realistic marketing**
 - Market driven actions
- **Early and continued dialogue with military department and BCT**